

Application and Verification Guide

Introduction	1
CHANGES FOR 2012–2013.....	1
Chapter 1: The Application Process: FAFSA to ISIR	3
TYPES OF APPLICATIONS.....	3
<i>FAFSA on the Web (FOTW), FAA Access to CPS Online, Paper FAFSA, FAFSA on the phone, The personal identification number (PIN), Renewal FAFSA</i>	
PROCESSING THE FAFSA.....	5
OUTPUT DOCUMENTS: THE SAR AND ISIR	6
DEADLINES.....	7
Chapter 2: Filling Out the FAFSA	9
STEP ONE: GENERAL STUDENT INFORMATION.....	9
<i>Questions 1–31</i>	
STEP TWO: STUDENT/SPOUSE INCOME AND ASSETS	12
<i>Questions 32–44 (and questions 79–92 for parents), Zero income, Qualified education benefits, Reporting “take-back” mortgages, Reporting trust funds, Ownership of an asset</i>	
STEP THREE: DEPENDENCY STATUS.....	21
<i>Questions 45–57, Veteran match, Who counts as a parent, Other sources of support for children and other household members</i>	
STEP FOUR: PARENTS’ INFORMATION (DEPENDENT STUDENTS ONLY).....	26
<i>Questions 58–78, 82 (see Step Two for discussion of questions 79–81, 83–92) Reporting information in cases of death, separation, divorce, and remarriage</i>	
STEP FIVE: INDEPENDENT STUDENT DATA	30
<i>Questions 93–100</i>	
STEP SIX: SCHOOL INFORMATION.....	31
<i>Question 101</i>	
STEP SEVEN: SIGNATURE(S)	31
<i>Questions 102–106, Signatures for electronic applications, Signature requirements chart</i>	

Chapter 3: Expected Family Contribution (EFC) 35

GENERAL INFORMATION 35

SIMPLIFIED FORMULA..... 35

AUTOMATIC ZERO EFC 36

DEPARTMENT OF DEFENSE MATCH AND IRAQ AND AFGHANISTAN
SERVICE GRANT 37

ALTERNATE EFCs..... 37

THE EFC WORKSHEETS 37

FORMULA A—DEPENDENT STUDENTS..... 37
*Parents’ contribution, Student’s contribution from income, Student’s contribution
from assets, Alternate EFCs for other than nine-month enrollment*

FORMULA B—INDEPENDENT STUDENT WITHOUT DEPENDENTS
OTHER THAN A SPOUSE 41
*Contribution from available income, Contribution from assets,
Alternate EFCs for other than nine-month enrollment*

FORMULA C—INDEPENDENT STUDENT WITH DEPENDENTS
OTHER THAN A SPOUSE 43
*Available income, Contribution from assets, Calculation of student’s EFC,
Alternate EFCs for other than nine-month enrollment*

EFC WORKSHEETS 47
Formula A, Formula B, Formula C

Chapter 4: Verification, Updates, and Corrections 75

REQUIRED POLICIES AND PROCEDURES 76

APPLICATIONS AND INFORMATION TO BE VERIFIED..... 76
Verification exclusions

DOCUMENTATION 78
*AGI, taxes paid, and other tax data; Household size; Number in college;
SNAP benefits (food stamps); Child support paid*

UPDATING INFORMATION 84
Tax documents: special situations and alternatives

CORRECTING ERRORS..... 84

INTERIM DISBURSEMENTS 84
Overpayments from interim disbursements

CHANGES IN A SELECTED APPLICANT’S FAFSA	85
<i>Campus-based and DL changes, Pell changes, Selection after disbursement, After documentation is complete, Using a joint return to figure individual AGI and taxes paid</i>	
HOW TO SUBMIT CORRECTIONS AND UPDATES	87
<i>Using FAFSA on the Web (FOTW), Submitting changes via FAA Access to CPS Online or EDE, Using the Student Aid Report (SAR) to make corrections, Adding schools and changing a student’s address</i>	
DEADLINES AND FAILURE TO SUBMIT DOCUMENTATION	88
<i>Campus-based and DL, Pell grants, Other considerations, Late disbursements, Verification status codes, Verification worksheets for dependent and independent students</i>	
 Chapter 5: Special Cases	 99
PROFESSIONAL JUDGMENT	99
<i>Students without parent support</i>	
DEPENDENCY OVERRIDES	101
CONFLICTING INFORMATION	103
<i>Subsequent ISIRs, Discrepant tax data, Resolution of conflicting information</i>	
REFERRAL OF FRAUD CASES	104
<i>Office of Inspector General address and phone numbers</i>	
UNACCOMPANIED HOMELESS YOUTH	105
 Chapter 6: Applying for Stafford and PLUS Loans	 107
APPLYING FOR AID AND COMPLETING THE MPN	107
<i>Required borrower information on MPN</i>	
MULTI-YEAR MPN AND WHEN A NEW MPN IS REQUIRED	107
<i>The confirmation process, Declining the use of the multi-year MPN</i>	
PLUS MPN	109
<i>Establishing graduate/professional PLUS eligibility, PLUS loan origination, Adverse credit history and use of endorser, Establishing a confirmation process</i>	

